



Reprinted
February 1, 2006

HOUSE BILL No. 1099

DIGEST OF HB 1099 (Updated January 31, 2006 6:23 pm - DI 96)

Citations Affected: IC 22-11; noncode.

Synopsis: Fireworks sales and discharge. Renames common fireworks as consumer fireworks. Authorizes the use of consumer fireworks on the property of the purchaser, on the property of another who has given permission for the use, and at a special discharge location. Allows for the issuance of a permit for a special discharge location (location) for fireworks, and sets conditions and fees for issuance of the permits and requirements for discharge of consumer fireworks at a location. Sets requirements for the tent or structure in which consumer fireworks may be sold. Sets annual registration fees for the retail sale of certain fireworks. Removes the requirement that a purchaser of consumer fireworks provide a written assurance that the consumer fireworks will be shipped out of Indiana within five days of purchase. Makes it a Class A misdemeanor for: (1) a person less than 18 years of age to knowingly or intentionally purchase certain consumer fireworks or for a person less than 18 years of age to sell certain fireworks; (2) a seller of consumer fireworks to knowingly or intentionally fail to request photographic identification of a purchaser who appears less than 25 years of age; and (3) a seller of fireworks to knowingly or intentionally fail to record certain information regarding a sale of consumer or special fireworks. Makes it a Class C infraction, or a Class B infraction under certain circumstances, for a person to use consumer fireworks
(Continued next page)

Effective: Upon passage; June 1, 2006.

Frizzell, Crooks

January 5, 2006, read first time and referred to Committee on Public Policy and Veterans Affairs.
January 26, 2006, reported — Do Pass.
January 31, 2006, read second time, amended, ordered engrossed.

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in other than certain locations. Makes it a Class B misdemeanor, a Class A misdemeanor, or a Class D felony to recklessly, knowingly, or intentionally use consumer fireworks under certain circumstances. Sets a public safety fee of 4% on the retail sale of consumer fireworks, to be collected by the retail merchant. Sets requirements for the collection and remission of the public safety fees to the department of homeland security, and sets provisions for the use of the public safety fees by the department of homeland security. Makes it a Class D felony for a person to fail to collect or remit the public safety fee. Requires the fire prevention and building safety commission to adopt rules concerning fireworks. Makes conforming amendments. Makes a technical correction.

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February 1, 2006

Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

HOUSE BILL No. 1099

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 22-11-14-1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this
3 chapter and IC 22-11-14.5:
4 "Auto burglar alarm" means a tube that contains pyrotechnic
5 composition that produces a loud whistle or smoke when ignited. A
6 small quantity of explosive, not exceeding fifty (50) milligrams, may
7 also be used to produce a small report. A squib is used to ignite the
8 device.
9 "Booby trap" means a small tube with string protruding from both
10 ends, similar to a party popper in design. The ends of the string are
11 pulled to ignite the friction sensitive composition, producing a small
12 report.
13 "Chaser" means a device, containing fifty (50) milligrams or less of
14 explosive composition, that consists of a small paper or cardboard tube
15 that travels along the ground upon ignition. A whistling effect is often
16 produced, and a small noise may be produced.
17 "Cigarette load" means a small wooden peg that has been coated

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with a small quantity of explosive composition. Upon ignition of a cigarette containing one of the pegs, a small report is produced.

~~Common~~ **"Consumer** firework" means a small firework that is designed primarily to produce visible effects by combustion, and that is required to comply with the construction, chemical composition, and labeling regulations promulgated by the United States Consumer Product Safety Commission under 16 CFR 1507. The term also includes some small devices designed to produce an audible effect, such as whistling devices, ground devices containing fifty (50) milligrams or less of explosive composition, and aerial devices containing one hundred thirty (130) milligrams or less of explosive composition. Propelling or expelling charges consisting of a mixture of charcoal, sulfur, and potassium nitrate are not considered as designed to produce an audible effect. ~~Common~~ **Consumer** fireworks:

(1) include:

(A) ground and hand held sparkling devices, which include dipped stick, certain wire sparklers, cylindrical fountains, cone fountains, illuminating torches, wheels, ground spinners, and flitter sparklers;

(B) aerial devices, which include sky rockets, missile type rockets, helicopter or aerial spinners, roman candles, mines, and shells;

(C) ground audible devices, which include firecrackers, salutes, and chasers; and

(D) firework devices containing combinations of two (2) or more of the effects described in the preceding three (3) clauses; and

(2) do not include the following novelties and trick noisemakers:

(A) Snakes or glow worms.

(B) Smoke devices.

(C) Wire sparklers which contain no magnesium and which contain less than one hundred (100) grams of composition per item.

(D) Trick noisemakers, which include party poppers, booby traps, snappers, trick matches, cigarette loads, and auto burglar alarms.

"Cone fountain" means a cardboard or heavy paper cone which contains up to fifty (50) grams of pyrotechnic composition, and which produces the same effect as a cylindrical fountain.

"Cylindrical fountain" means a cylindrical tube not exceeding three-quarters (3/4) inch in inside diameter and containing up to seventy-five (75) grams of pyrotechnic composition. Fountains produce

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a shower of color and sparks upon ignition, and sometimes a whistling effect. Cylindrical fountains may contain a spike to be inserted in the ground (spike fountain), a wooden or plastic base to be placed on the ground (base fountain), or a wooden handle or cardboard handle for items designed to be hand held (handle fountain).

"Department" means the department of homeland security established under IC 10-19-2-1.

"Dipped stick" or "wire sparkler" means a ~~common~~ **consumer** firework that consists of a stick or wire coated with pyrotechnic composition that produces a shower of sparks upon ignition. Total pyrotechnic composition does not exceed one hundred (100) grams per item. Those devices containing chlorate or perchlorate salts do not exceed five (5) grams in total composition per item. Wire sparklers that contain no magnesium and that contain less than one hundred (100) grams of composition per item are not included in the category of ~~common~~ **consumer** fireworks.

"Distributor" means a person who sells fireworks to wholesalers and retailers for resale.

"Explosive composition" means a chemical or mixture of chemicals that produces an audible effect by deflagration or detonation when ignited.

"Firecracker" or "salute" is a device that consists of a small paper wrapped or cardboard tube containing not more than fifty (50) milligrams of pyrotechnic composition and that produces, upon ignition, noise, accompanied by a flash of light.

"Firework" means any composition or device designed for the purpose of producing a visible or audible effect by combustion, deflagration, or detonation. Fireworks consist of ~~common~~ **consumer** fireworks and special fireworks. The following items are excluded from the definition of fireworks:

- (1) Model rockets.
- (2) Toy pistol caps.
- (3) Emergency signal flares.
- (4) Matches.
- (5) Fixed ammunition for firearms.
- (6) Ammunition components intended for use in firearms, muzzle loading cannons, or small arms.
- (7) Shells, cartridges, and primers for use in firearms, muzzle loading cannons, or small arms.
- (8) Indoor pyrotechnics special effects material.
- (9) M-80s, cherry bombs, silver salutes, and any device banned by the federal government.**

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"Flitter sparkler" means a narrow paper tube filled with pyrotechnic composition that produces color and sparks upon ignition. These devices do not use a fuse for ignition, but rather are ignited by igniting the paper at one (1) end of the tube.

"Ground spinner" means a small spinning device that is similar to wheels in design and effect when placed on the ground and ignited, and that produces a shower of sparks and color when spinning.

"Helicopter" or "aerial spinner" is a spinning device:

(1) that consists of a tube up to one-half (1/2) inch in inside diameter and that contains up to twenty (20) grams of pyrotechnic composition;

(2) to which some type of propeller or blade device is attached; and

(3) that lifts into the air upon ignition, producing a visible or audible effect at the height of flight.

"Illuminating torch" means a cylindrical tube that:

(1) contains up to one hundred (100) grams of pyrotechnic composition;

(2) produces, upon ignition, a colored fire; and

(3) is either a spike, base, or handle type device.

"Importer" means:

(1) a person who imports fireworks from a foreign country; or

(2) a person who brings or causes fireworks to be brought within this state for subsequent sale.

"Indoor pyrotechnics special effects material" means a chemical material that is clearly labeled by the manufacturer as suitable for indoor use (as provided in National Fire Protection Association Standard 1126 (2001 edition)).

"Interstate wholesaler" means a person who is engaged in interstate commerce selling fireworks. ~~not approved for sale in Indiana.~~

"Manufacturer" means a person engaged in the manufacture of fireworks.

"Mine" or "shell" means a device that:

(1) consists of a heavy cardboard or paper tube up to two and one-half (2 1/2) inches in inside diameter, to which a wooden or plastic base is attached;

(2) contains up to forty (40) grams of pyrotechnic composition; and

(3) propels, upon ignition, stars (pellets of pressed pyrotechnic composition that burn with bright color), whistles, parachutes, or combinations thereof, with the tube remaining on the ground.

"Missile-type rocket" means a device that is similar to a sky rocket

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in size, composition, and effect, and that uses fins rather than a stick for guidance and stability.

"Party popper" means a small plastic or paper item containing not more than sixteen (16) milligrams of explosive composition that is friction sensitive. A string protruding from the device is pulled to ignite it, expelling paper streamers and producing a small report.

"Person" means an individual, an association, an organization, a limited liability company, or a corporation.

"Pyrotechnic composition" means a mixture of chemicals that produces a visible or audible effect by combustion rather than deflagration or detonation. Pyrotechnic compositions will not explode upon ignition unless severely confined.

"Pyrotechnician" means an individual with responsibility for the safety, set up, or discharge of fireworks.

"Retail sales stand" means a temporary business site or location where goods are to be sold.

"Retailer" means a person who purchases fireworks for resale to consumers.

"Roman candle" means a device that consists of a heavy paper or cardboard tube not exceeding three-eighths (3/8) inch in inside diameter and that contains up to twenty (20) grams of pyrotechnic composition. Upon ignition, up to ten (10) stars (pellets of pressed pyrotechnic composition that burn with bright color) are individually expelled at several second intervals.

"Sky rocket" means a device that:

(1) consists of a tube that ~~does not exceed one-half (1/2) inch in inside diameter and that contains up to twenty (20) grams of~~ pyrotechnic composition;

(2) contains a ~~wooden~~ stick for guidance and stability; and

(3) rises into the air upon ignition, producing a burst of color or noise at the height of flight.

"Smoke device" means a tube or sphere containing pyrotechnic composition that produces white or colored smoke upon ignition as the primary effect.

"Snake" or "glow worm" means a pressed pellet of pyrotechnic composition that produces a large, snake-like ash upon burning. The ash expands in length as the pellet burns. These devices do not contain mercuric thiocyanate.

"Snapper" means a small, paper wrapped item containing a minute quantity of explosive composition coated on small bits of sand. When dropped, the device explodes, producing a small report.

"Special discharge location" means a location designated for the

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discharge of consumer fireworks by individuals.

"Special fireworks" means fireworks designed primarily to produce visible or audible effects by combustion, deflagration, or detonation, including firecrackers containing more than one hundred thirty (130) milligrams of explosive composition, aerial shells containing more than forty (40) grams of pyrotechnic composition, and other exhibition display items that exceed the limits for classification as ~~common~~ **consumer** fireworks.

"Trick match" means a kitchen or book match that has been coated with a small quantity of explosive or pyrotechnic composition. Upon ignition of the match, a small report or a shower of sparks is produced.

"Trick noisemaker" means an item that produces a small report intended to surprise the user.

"Wheel" means a pyrotechnic device that:

- (1) is attached to a post or tree by means of a nail or string;
- (2) contains up to six (6) driver units (tubes not exceeding one-half (1/2) inch in inside diameter) containing up to sixty (60) grams of composition per driver unit; and
- (3) revolves, upon ignition, producing a shower of color and sparks and sometimes a whistling effect.

"Wholesaler" means a person who purchases fireworks for resale to retailers.

SECTION 2. IC 22-11-14-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The fire prevention and building safety commission ~~may~~ **shall**:

- (1) adopt rules under IC 4-22-2 for the granting of permits for supervised public displays of fireworks by municipalities, fair associations, amusement parks, and other organizations or groups of individuals; and
- (2) establish by rule the fee for the permit, which shall be paid into the fire and building services fund created under IC 22-12-6-1.

(b) The application for a permit required under subsection (a) must:

- (1) name a competent operator who is to officiate at the display;
- (2) set forth a brief resume of the operator's experience;
- (3) be made in writing; and
- (4) be received with the applicable fee by the ~~office of the state fire marshal~~ **division of fire and building safety** at least five (5) business days before the display.

No operator who has a prior conviction for violating this chapter may operate any display for one (1) year after the conviction.

(c) Every display shall be handled by a qualified operator approved

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by the chief of the fire department of the municipality in which the display is to be held. A display shall be ~~so~~ located, discharged, or fired as, in the opinion of:

(1) the chief of the fire department of the city or town in which the display is to be held; or

(2) the township fire chief or the fire chief of the municipality nearest the site proposed, in the case of a display to be held outside of the corporate limits of any city or town;

after proper inspection, is not hazardous to property or person.

(d) A permit granted under this section is not transferable.

(e) A denial of a permit by a municipality shall be issued in writing before the date of the display.

(f) A person ~~who possesses, transports, or delivers~~ **may not possess, transport, or deliver special** fireworks, except as authorized under this section. ~~commits a Class A misdemeanor.~~

SECTION 3. IC 22-11-14-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 3.5. (a) After application to the chief of a municipal or township fire department, a person shall be granted a permit to sponsor a special discharge location in the municipality or the township if the following conditions are satisfied:**

(1) There are at least six (6) pyrotechnicians who:

(A) are listed on the application for the permit and are trained and experienced in using consumer fireworks; and

(B) will be present at the special discharge location during the times the special discharge location is accessible to the public.

(2) The special discharge location will be located in an area approved by the chief of the municipal or township fire department.

(3) The special discharge location will be located not more than seventy-five (75) miles from the point of sale of the consumer fireworks that are to be used at the special discharge location.

(4) If the application is for the celebration of Independence Day, the special discharge location will be accessible to the public for the discharge of the consumer fireworks from 8 p.m. until 11 p.m. on July 3, 4, and 5.

(5) The person who sponsors the special discharge location applies for a special discharge location permit at least fifteen (15) days before the first date on which the special discharge

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location is scheduled to be used.

(6) The availability of the special discharge location is advertised in a newspaper or another medium in a manner other than by legal notice, at least five (5) days before the first day on which the special discharge location is to be used.

(7) If the person applies to sponsor more than one (1) special discharge location, the person will provide security for each special discharge location.

(8) The person has provided proof of liability insurance in the amount of one million dollars (\$1,000,000) to the chief of the municipal or township fire department. If the person applies to sponsor more than one (1) special discharge location, the person must provide the proof of insurance required by this subdivision for each special discharge location.

(9) Each pyrotechnician and employee of the sponsor of the special discharge location is covered by worker's compensation insurance.

(10) The person has paid a permit fee of five thousand dollars (\$5,000) to sponsor one (1) special discharge location. If the person applies to sponsor more than one (1) special discharge location, the person must pay a permit fee of one thousand dollars (\$1,000) for each additional special discharge location.

(b) A denial of a permit for a special discharge location by the chief of a municipal or township fire department must:

- (1) be in writing; and
- (2) state all reasons for the denial.

The person requesting the special discharge location permit may appeal the denial of the permit to the circuit or superior court of the county where the special discharge location would be located. An emergency hearing regarding the denial shall be scheduled not later than three (3) days after the appeal is filed.

SECTION 4. IC 22-11-14-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Nothing in this chapter shall be construed to prohibit:

(1) any resident wholesaler, manufacturer, importer, or distributor from selling:

- (A) at wholesale fireworks not prohibited by this chapter; or
- (B) **consumer** fireworks ~~not approved for sale in Indiana~~ if they are to be shipped directly out of state within five (5) days of the date of sale; used:

- (i) on the property of the purchaser;
- (ii) on the property of another who has given permission

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1 **to use the consumer fireworks; or**

2 **(iii) at a special discharge location as set forth in section**
 3 **3.5 of this chapter;**

4 (2) the use of fireworks by railroads or other transportation
 5 agencies for signal purposes or illumination;

6 (3) the sale or use of blank cartridges for:

7 (A) a show or theater;

8 (B) signal or ceremonial purposes in athletics or sports; or

9 (C) use by military organizations;

10 (4) the intrastate sale of fireworks not approved for sale in Indiana
 11 between interstate wholesalers;

12 (5) the possession, sale, or disposal of fireworks, incidental to the
 13 public display of Class B fireworks, by wholesalers or other
 14 persons who possess a permit to possess, store, and sell Class B
 15 explosives from the Bureau of Alcohol, Tobacco, ~~and~~ Firearms
 16 **and Explosives of the United States Department of the Treasury;**
 17 **Justice; or**

18 (6) the use of indoor pyrotechnics special effects material before
 19 an indoor or outdoor proximate audience.

20 (b) For the purposes of this section, a resident wholesaler, importer,
 21 or distributor, is a person who:

22 (1) is a resident of Indiana;

23 (2) possesses for resale ~~common~~ fireworks approved or not
 24 approved for sale in Indiana;

25 (3) is engaged in the interstate sale of ~~common~~ fireworks
 26 described in subdivision (2) as an essential part of a business that
 27 is located in a permanent structure and is open at least six (6)
 28 months each year; **and**

29 ~~(4) sells common fireworks described in subdivision (2) only to~~
 30 ~~purchasers who provide a written and signed assurance that the~~
 31 ~~fireworks are to be shipped out of Indiana within five (5) days of~~
 32 ~~the date of sale; and~~

33 ~~(5)~~ (4) has possession of a certificate of compliance issued by the
 34 state fire marshal under section 5 of this chapter.

35 ~~(c) A purchaser may not provide a written and signed assurance that~~
 36 ~~the fireworks purchased are to be shipped out of Indiana and then sell~~
 37 ~~or use them in Indiana.~~

38 SECTION 5. IC 22-11-14-4.5 IS ADDED TO THE INDIANA
 39 CODE AS A NEW SECTION TO READ AS FOLLOWS
 40 [EFFECTIVE UPON PASSAGE]: **Sec. 4.5. (a) A retailer may sell**
 41 **consumer fireworks from a tent under the following conditions:**

42 (1) The tent may not be larger than one thousand five

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hundred (1,500) square feet.

(2) There may be only one (1) tent for each registration granted under section 5(b)(3) of this chapter.

(3) The tent may not be located closer than one hundred (100) feet from a permanent structure.

(4) A vehicle may not be parked closer than twenty (20) feet from the edge of the tent.

(5) The tent must be fire retardant.

(6) The sales site must comply with all applicable local zoning and land use rules.

(7) Sales of fireworks may be made from the tent for not more than forty-five (45) days in a year.

(8) The gross weight of consumer fireworks in a tent, other than those set forth in section 8(a) of this chapter, may not exceed one thousand five hundred (1,500) pounds of product.

(9) A retailer that legally operated a tent with a registration in 2005 may continue operation in a tent in 2006 and the following years. A registration under section 5(b)(3) of this chapter is required for operation in 2006 and following years.

(10) The retailer holds a valid registration under section 5(b)(3) of this chapter.

(b) This subsection does not apply to a retailer of fireworks who conducts operations from a structure that complies with the requirements for an H-3 building occupancy classification under the Indiana building code adopted by the fire prevention and building safety commission. A retailer may sell consumer fireworks from a structure under the following conditions:

(1) The structure must be a Class 1 structure used for the sale and storage of fireworks 1.4G (Class C common fireworks).

(2) The sales site must comply with all applicable local zoning and land use rules.

(3) The gross weight of consumer fireworks in the structure, other than those set forth in section 8(a) of this chapter, may not exceed one thousand five hundred (1,500) pounds of product.

(4) The structure may not exceed fifteen thousand (15,000) square feet in total area unless the structure was in existence and was registered under section 5(b)(3) of this chapter in 2005.

(5) The retailer holds a valid registration under section 5(b)(3) of this chapter.

(6) A retailer that legally operated from a structure with a

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1 registration in 2005 may continue in operation in the
 2 structure in 2006 and the following years. A registration
 3 under section 5(b)(3) of this chapter is required for operation
 4 in 2006 and following years.

5 (c) The state fire marshal or a member of the division of fire and
 6 building safety staff shall, under section 9 of this chapter, inspect
 7 tents and structures in which common fireworks are sold.

8 SECTION 6. IC 22-11-14-5 IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The state fire
 10 marshal shall remove at the expense of the owner, all stocks of
 11 fireworks or combustibles possessed, transported, or delivered in
 12 violation of this chapter.

13 (b) The state fire marshal shall stop the shipments and sale of
 14 fireworks, novelties, and trick noisemakers unless, prior to shipment
 15 into this state for sale, the manufacturer, wholesaler, importer, or
 16 distributor of the fireworks, novelties, and trick noisemakers submits
 17 to the state fire marshal:

18 (1) a complete description of each item proposed to be shipped
 19 into Indiana;

20 (2) a written certification that the items are manufactured in
 21 accordance with section 1 of this chapter; and

22 (3) an annual registration fee of ~~one thousand~~ **seven hundred**
 23 **fifty dollars (\$1,000) (\$750) for the first location and an**
 24 **additional registration fee of seven hundred fifty dollars**
 25 **(\$750) for each other location from which consumer fireworks**
 26 **are to be offered for sale for use at a special discharge**
 27 **location. The registration fee shall be deposited in the fire and**
 28 **building services fund as set forth in IC 22-12-6-1(c).**

29 If upon inspection the state fire marshal finds that this chapter has been
 30 complied with, an annual certificate of compliance shall be issued to
 31 the manufacturer, wholesaler, importer, or distributor. An annual
 32 certificate of compliance **may not be applied for after June 15 of a**
 33 **year and** expires December 31 of the year ~~during in~~ which the
 34 certificate is issued. Each manufacturer, wholesaler, importer, or
 35 distributor must obtain a certificate of compliance. The certificate is
 36 not transferable. ~~except that~~ A retailer that offers the items for sale to
 37 the public is entitled to receive a certified copy of the certificate from
 38 the manufacturer, wholesaler, importer, or distributor from which the
 39 retailer purchases the items. A certified copy of the certificate of
 40 compliance must be posted in each location where the items are offered
 41 for sale to the public. If upon inspection the state fire marshal finds that
 42 this chapter has not been complied with, the state fire marshal shall

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1 refuse to issue a certificate of compliance and state the reasons for the
 2 refusal. A copy of the order denying the issuance of a certificate of
 3 compliance and the reasons shall be forwarded to the manufacturer,
 4 wholesaler, importer, or distributor. The state fire marshal may revoke
 5 any certificate of compliance issued to any manufacturer, wholesaler,
 6 importer, or distributor if the holder of the certificate has violated this
 7 chapter.

8 (c) All fireworks, novelties, and trick noisemakers shipped into
 9 Indiana, or manufactured and sold in Indiana, must have distinctly and
 10 durably painted, stamped, printed, or marked on the package, box, or
 11 container in which the items are enclosed the exact number of pieces
 12 in the container.

13 (d) It is unlawful for a manufacturer, wholesaler, importer, or
 14 distributor to sell at wholesale, offer to sell at wholesale, or ship or
 15 cause to be shipped into Indiana fireworks, novelties, or trick
 16 noisemakers unless the manufacturer, wholesaler, importer, or
 17 distributor has been issued and holds a valid certificate of compliance
 18 issued under subsection (b). This subsection applies to nonresidents
 19 and residents of Indiana.

20 SECTION 7. IC 22-11-14-6 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. **(a)** A person
 22 who violates ~~section 4(c);~~ **section 2(f), 4.5, 5(c), 5(d), 7, or 8(a), 8(c),**
 23 **8(d), or 10** of this chapter commits a Class A misdemeanor.

24 **(b) A person who ignites, discharges, or uses consumer**
 25 **fireworks other than those described in section 8(a) of this chapter**
 26 **at a site other than:**

- 27 (1) a special discharge location;
- 28 (2) the property of the person; or
- 29 (3) the property of another who has given permission to use
- 30 the consumer fireworks;

31 **commits a Class C infraction. However, if a person commits an**
 32 **offense under this subsection not later than five (5) years after the**
 33 **date of the commission of a prior offense, the person commits a**
 34 **Class B infraction.**

35 **(c) A person commits a Class B misdemeanor if the person**
 36 **recklessly, knowingly, or intentionally uses consumer fireworks**
 37 **other than those described in section 8(a) of this chapter and the**
 38 **violation causes harm to the property of a person.**

39 **(d) A person commits a Class A misdemeanor if the person**
 40 **recklessly, knowingly, or intentionally uses consumer fireworks**
 41 **other than those described in section 8(a) of this chapter and the**
 42 **violation results in serious bodily injury to a person.**

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(e) A person commits a Class D felony if the person recklessly, knowingly, or intentionally uses consumer fireworks other than those described in section 8(a) of this chapter and the violation results in the death of a person.

(f) A person commits a Class D felony if the person knowingly fails to collect or remit the public safety fees due under section 14 of this chapter to the state.

SECTION 8. IC 22-11-14-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) A person shall not sell at retail, or offer for sale at retail, any consumer fireworks, novelties, or trick noisemakers to a person less than eighteen (18) years of age other than the following:

- (1) Dipped sticks or wire sparklers. However, total pyrotechnic composition may not exceed one hundred (100) grams per item. Devices containing chlorate or perchlorate salts may not exceed five (5) grams in total composition per item.
- (2) Cylindrical fountains.
- (3) Cone fountains.
- (4) Illuminating torches.
- (5) Wheels.
- (6) Ground spinners.
- (7) Flitter sparklers.
- (8) Snakes or glow worms.
- (9) Smoke devices.
- (10) Trick noisemakers, which include:
 - (A) Party poppers.
 - (B) Booby traps.
 - (C) Snappers.
 - (D) Trick matches.
 - (E) Cigarette loads.
 - (F) Auto burglar alarms.

(b) A retailer or wholesaler of consumer fireworks may sell consumer fireworks to a person at least eighteen (18) years of age.

(c) A retailer or wholesaler of consumer fireworks other than those listed in subsection (a) may not knowingly or intentionally fail to:

- (1) request photographic identification of a purchaser who appears to be less than twenty-five (25) years of age; or
- (2) record the following information regarding a sale:
 - (A) The purchaser's name.
 - (B) The purchaser's address.
 - (C) The date of the sale.

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(D) The age of the purchaser.

The seller shall keep the record of the sale for not less than one (1) year and shall make the record available to the state fire marshal upon request.

(d) An individual who sells consumer fireworks other than those listed in subsection (a) must be at least eighteen (18) years of age.

SECTION 9. IC 22-11-14-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. ~~(a)~~ Each interstate wholesaler shall keep a record of each sale of **special** fireworks. ~~not approved for sale in Indiana.~~ This record must include:

- (1) the purchaser's name;
- (2) the purchaser's address; and
- (3) the date of the sale.

These records shall be kept for three (3) years and be available for inspection by the fire marshal.

~~(b)~~ Each resident wholesaler shall post in a prominent location in the wholesaler's place of business a sign that reads as follows:

"Under Indiana law, a resident wholesaler of fireworks may sell fireworks not approved for sale in Indiana only to other resident wholesalers and to purchasers who provide a written and signed assurance that the fireworks are to be shipped out of Indiana within five (5) days of the date of sale. A purchaser who provides a written and signed assurance that fireworks purchased are to be shipped out of Indiana within five (5) days of the date of sale and who then sells the fireworks in Indiana or uses them in Indiana commits a Class A misdemeanor, which is punishable by imprisonment for up to one (1) year and a fine of up to five thousand dollars (\$5,000)."

~~The state fire marshal shall provide interstate wholesalers with signs for the purposes of this subsection.~~

SECTION 10. IC 22-11-14-11 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2006]: **Sec. 11. (a) A user fee, known as the public safety fee, is imposed on retail transactions made in Indiana of consumer fireworks.**

(b) The person who acquires consumer fireworks in a retail transaction is liable for the public safety fee on the transaction and, except as otherwise provided in this chapter, shall pay the public safety fee to the retailer as a separate added amount to the consideration in the transaction. The retailer shall collect the public safety fee as agent for the state.

(c) The public safety fee shall be paid to the department to be

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used for the following purposes:

(1) The provision of funds for disaster relief for all Indiana state and local governments under IC 10-19-4-2.

(2) The development and provision of training programs for public safety service providers under IC 10-19-9-3.

(3) The establishment and conduct of advanced training programs in public safety and homeland security subjects under IC 10-19-9-4.

The executive director of the department appointed under IC 10-19-3-1 shall determine the distribution of the funds received by the department from the public safety fee.

(d) The fire prevention and building safety commission shall adopt rules under IC 4-22-2 necessary for the administration of the collection and distribution of the public safety fee monies from retailers as described in subsections (b) and (c) and in section 13 of this chapter.

SECTION 11. IC 22-11-14-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2006]: Sec. 12. (a) The public safety fee is measured by the gross retail income received by a retailer in a retail unitary transaction of consumer fireworks and is imposed at the following rates:

PUBLIC SAFETY FEE	GROSS RETAIL INCOME FROM THE RETAIL UNITARY TRANSACTION	
\$ 0	less than	\$0.25
\$ 0.01	at least \$ 0.25 but less than	\$0.50
\$ 0.02	at least \$ 0.50 but less than	\$0.75
\$ 0.03	at least \$ 0.75 but less than	\$1.00
\$ 0.04	at least \$ 1.00	

On a retail unitary transaction in which the gross retail income received by the retail merchant is one dollar (\$1) or more, the public safety fee is four percent (4%) of that gross retail income.

(b) If the public safety fee, computed under subsection (a), results in a fraction of one-half cent (\$0.005) or more, the amount of the public safety fee shall be rounded to the next additional cent.

SECTION 12. IC 22-11-14-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2006]: Sec. 13. (a) A retailer liable for collecting the public safety fee from a purchaser shall file a return for each calendar month and pay the public safety fees that the

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1 retailer has collected during that month. A retailer shall file the
 2 retailer's return for a particular month with the department and
 3 make the retailer's payment of the public safety fees collected for
 4 that month to the department not more than thirty (30) days after
 5 the end of that month.

6 (b) Instead of the twelve (12) monthly reporting periods
 7 required by subsection (a), the department may permit a person to
 8 divide a year into a different number of reporting periods. The
 9 return and payment for each reporting period is due not more than
 10 twenty (20) days after the end of the period.

11 (c) Instead of the reporting periods required under subsection
 12 (a), the department may permit a retailer to report and pay the
 13 retailer's public safety fees for a period covering a calendar year,
 14 if the retailer's public safety fee liability for a calendar year does
 15 not exceed seventy-five dollars (\$75). A retailer reporting under
 16 this subsection must file the retailer's return and pay the retailer's
 17 public safety fee liability not later than the last day of January
 18 immediately following the close of the prior calendar year.

19 SECTION 13. IC 22-11-14-14 IS ADDED TO THE INDIANA
 20 CODE AS A NEW SECTION TO READ AS FOLLOWS
 21 [EFFECTIVE JUNE 1, 2006]: **Sec. 14. An individual who:**

22 (1) is an individual retailer or is an employee, an officer, or a
 23 member of a corporate or partnership retailer; and

24 (2) has a duty to remit the public safety fee as described in
 25 section 11 of this chapter to the department of homeland
 26 security;

27 holds the public safety fees collected in trust for the state and is
 28 personally liable for the payment of the public safety fee money to
 29 the state.

30 SECTION 14. IC 22-11-14-15 IS ADDED TO THE INDIANA
 31 CODE AS A NEW SECTION TO READ AS FOLLOWS
 32 [EFFECTIVE UPON PASSAGE]: **Sec. 15. The fire prevention and
 33 building safety commission shall adopt rules under IC 4-22-2 to
 34 carry out this chapter.**

35 SECTION 15. [EFFECTIVE UPON PASSAGE] (a)
 36 Notwithstanding IC 22-11-14-2(a), as amended by this act,
 37 IC 22-11-14-11(d), as added by this act, and IC 22-11-14-15, as
 38 added by this act, the fire prevention and building safety
 39 commission shall carry out the duties imposed upon it by
 40 IC 22-11-14-2(a), as amended by this act, IC 22-11-14-11(d), as
 41 added by this act, and IC 22-11-14-15, as added by this act, under
 42 interim written guidelines approved by the state fire marshal.

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1 **(b) This SECTION expires on the earlier of the following:**
 2 **(1) The date rules are last adopted under IC 22-11-14-2(a), as**
 3 **amended by this act, IC 22-11-14-11(d), as added by this act,**
 4 **and IC 22-11-14-15, as added by this act.**
 5 **(2) December 31, 2007.**
 6 **SECTION 16. An emergency is declared for this act.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy and Veterans Affairs, to which was referred House Bill 1099, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

STUTZMAN, Chair

Committee Vote: yeas 9, nays 0.

 HOUSE MOTION

Mr. Speaker: I move that House Bill 1099 be amended to read as follows:

Page 1, delete lines 1 through 9.

Page 3, between lines 14 and 15, begin a new paragraph and insert:

""Department" means the department of homeland security established under IC 10-19-2-1."

Page 4, reset in roman line 36.

Page 4, line 37, reset in roman "commerce selling fireworks".

Page 4, line 37, after "fireworks" insert ".".

Page 6, line 28, delete ":".

Page 6, line 29, delete "(1)".

Page 6, line 29, delete ";" and insert ".".

Page 6, run in lines 28 through 29.

Page 6, delete lines 30 through 32, begin a new paragraph and insert:

"SECTION 2. IC 22-11-14-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The fire prevention and building safety commission ~~may~~ shall:

(1) adopt rules under IC 4-22-2 for the granting of permits for supervised public displays of fireworks by municipalities, fair associations, amusement parks, and other organizations or groups of individuals; and

(2) establish by rule the fee for the permit, which shall be paid into the fire and building services fund created under IC 22-12-6-1.

(b) The application for a permit required under subsection (a) must:

(1) name a competent operator who is to officiate at the display;

(2) set forth a brief resume of the operator's experience;

(3) be made in writing; and

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(4) be received with the applicable fee by the ~~office of the state fire marshal~~ **division of fire and building safety** at least five (5) business days before the display.

No operator who has a prior conviction for violating this chapter may operate any display for one (1) year after the conviction.

(c) Every display shall be handled by a qualified operator approved by the chief of the fire department of the municipality in which the display is to be held. A display shall be ~~so~~ located, discharged, or fired as, in the opinion of:

(1) the chief of the fire department of the city or town in which the display is to be held; or

(2) the township fire chief or the fire chief of the municipality nearest the site proposed, in the case of a display to be held outside of the corporate limits of any city or town;

after proper inspection, is not hazardous to property or person.

(d) A permit granted under this section is not transferable.

(e) A denial of a permit by a municipality shall be issued in writing before the date of the display.

(f) A person ~~who possesses, transports, or delivers~~ **may not possess, transport, or deliver special** fireworks, except as authorized under this section. ~~commits a Class A misdemeanor.~~

Page 6, delete line 42.

Page 7, delete line 1.

Page 7, line 2, delete "discharge location;" and insert "**trained and experienced in using consumer fireworks;**".

Page 8, delete lines 9 through 42, begin a new paragraph and insert: "SECTION 4. IC 22-11-14-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Nothing in this chapter shall be construed to prohibit:

(1) any resident wholesaler, manufacturer, importer, or distributor from selling:

(A) at wholesale fireworks not prohibited by this chapter; or

(B) **consumer** fireworks ~~not approved for sale in Indiana~~ if they are to be ~~shipped directly out of state within five (5) days of the date of sale; used:~~

(i) **on the property of the purchaser;**

(ii) **on the property of another who has given permission to use the consumer fireworks; or**

(iii) **at a special discharge location as set forth in section 3.5 of this chapter;**

(2) the use of fireworks by railroads or other transportation agencies for signal purposes or illumination;

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- (3) the sale or use of blank cartridges for:
 - (A) a show or theater;
 - (B) signal or ceremonial purposes in athletics or sports; or
 - (C) use by military organizations;
 - (4) the intrastate sale of fireworks not approved for sale in Indiana between interstate wholesalers;
 - (5) the possession, sale, or disposal of fireworks, incidental to the public display of Class B fireworks, by wholesalers or other persons who possess a permit to possess, store, and sell Class B explosives from the Bureau of Alcohol, Tobacco, ~~and~~ **Firearms and Explosives of the** United States Department of ~~the Treasury;~~ **Justice;** or
 - (6) the use of indoor pyrotechnics special effects material before an indoor or outdoor proximate audience.
- (b) For the purposes of this section, a resident wholesaler, importer, or distributor, is a person who:
- (1) is a resident of Indiana;
 - (2) possesses for resale ~~common~~ fireworks approved or not approved for sale in Indiana;
 - (3) is engaged in the interstate sale of ~~common~~ fireworks described in subdivision (2) as an essential part of a business that is located in a permanent structure and is open at least six (6) months each year; **and**
 - (4) sells ~~common~~ fireworks described in subdivision (2) only to purchasers who provide a written and signed assurance that the fireworks are to be shipped out of Indiana within five (5) days of the date of sale; **and**
 - ~~(5)~~ **(4)** has possession of a certificate of compliance issued by the state fire marshal under section 5 of this chapter.
- ~~(c) A purchaser may not provide a written and signed assurance that the fireworks purchased are to be shipped out of Indiana and then sell or use them in Indiana.~~

SECTION 5. IC 22-11-14-4.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 4.5. (a) A retailer may sell consumer fireworks from a tent under the following conditions:**

- (1) The tent may not be larger than one thousand five hundred (1,500) square feet.**
- (2) There may be only one (1) tent for each registration granted under section 5(b)(3) of this chapter.**
- (3) The tent may not be located closer than one hundred (100) feet from a permanent structure.**



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(4) A vehicle may not be parked closer than twenty (20) feet from the edge of the tent.

(5) The tent must be fire retardant.

(6) The sales site must comply with all applicable local zoning and land use rules.

(7) Sales of fireworks may be made from the tent for not more than forty-five (45) days in a year.

(8) The gross weight of consumer fireworks in a tent, other than those set forth in section 8(a) of this chapter, may not exceed one thousand five hundred (1,500) pounds of product.

(9) A retailer that legally operated a tent with a registration in 2005 may continue operation in a tent in 2006 and the following years. A registration under section 5(b)(3) of this chapter is required for operation in 2006 and following years.

(10) The retailer holds a valid registration under section 5(b)(3) of this chapter.

(b) This subsection does not apply to a retailer of fireworks who conducts operations from a structure that complies with the requirements for an H-3 building occupancy classification under the Indiana building code adopted by the fire prevention and building safety commission. A retailer may sell consumer fireworks from a structure under the following conditions:

(1) The structure must be a Class 1 structure used for the sale and storage of fireworks 1.4G (Class C common fireworks).

(2) The sales site must comply with all applicable local zoning and land use rules.

(3) The gross weight of consumer fireworks in the structure, other than those set forth in section 8(a) of this chapter, may not exceed one thousand five hundred (1,500) pounds of product.

(4) The structure may not exceed fifteen thousand (15,000) square feet in total area unless the structure was in existence and was registered under section 5(b)(3) of this chapter in 2005.

(5) The retailer holds a valid registration under section 5(b)(3) of this chapter.

(6) A retailer that legally operated from a structure with a registration in 2005 may continue in operation in the structure in 2006 and the following years. A registration under section 5(b)(3) of this chapter is required for operation in 2006 and following years.

(c) The state fire marshal or a member of the division of fire and

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building safety staff shall, under section 9 of this chapter, inspect tents and structures in which common fireworks are sold.

SECTION 6. IC 22-11-14-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The state fire marshal shall remove at the expense of the owner, all stocks of fireworks or combustibles possessed, transported, or delivered in violation of this chapter.

(b) The state fire marshal shall stop the shipments and sale of fireworks, novelties, and trick noisemakers unless, prior to shipment into this state for sale, the manufacturer, wholesaler, importer, or distributor of the fireworks, novelties, and trick noisemakers submits to the state fire marshal:

- (1) a complete description of each item proposed to be shipped into Indiana;
- (2) a written certification that the items are manufactured in accordance with section 1 of this chapter; and
- (3) an annual registration fee of ~~one thousand~~ **seven hundred fifty dollars (\$750) for the first location and an additional registration fee of seven hundred fifty dollars (\$750) for each other location from which consumer fireworks are to be offered for sale for use at a special discharge location. The registration fee shall be deposited in the fire and building services fund as set forth in IC 22-12-6-1(c).**

If upon inspection the state fire marshal finds that this chapter has been complied with, an annual certificate of compliance shall be issued to the manufacturer, wholesaler, importer, or distributor. An annual certificate of compliance **may not be applied for after June 15 of a year and** expires December 31 of the year ~~during in~~ which the certificate is issued. Each manufacturer, wholesaler, importer, or distributor must obtain a certificate of compliance. The certificate is not transferable. ~~except that~~ A retailer that offers the items for sale to the public is entitled to receive a certified copy of the certificate from the manufacturer, wholesaler, importer, or distributor from which the retailer purchases the items. A certified copy of the certificate of compliance must be posted in each location where the items are offered for sale to the public. If upon inspection the state fire marshal finds that this chapter has not been complied with, the state fire marshal shall refuse to issue a certificate of compliance and state the reasons for the refusal. A copy of the order denying the issuance of a certificate of compliance and the reasons shall be forwarded to the manufacturer, wholesaler, importer, or distributor. The state fire marshal may revoke any certificate of compliance issued to any manufacturer, wholesaler,

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importer, or distributor if the holder of the certificate has violated this chapter.

(c) All fireworks, novelties, and trick noisemakers shipped into Indiana, or manufactured and sold in Indiana, must have distinctly and durably painted, stamped, printed, or marked on the package, box, or container in which the items are enclosed the exact number of pieces in the container.

(d) It is unlawful for a manufacturer, wholesaler, importer, or distributor to sell at wholesale, offer to sell at wholesale, or ship or cause to be shipped into Indiana fireworks, novelties, or trick noisemakers unless the manufacturer, wholesaler, importer, or distributor has been issued and holds a valid certificate of compliance issued under subsection (b). This subsection applies to nonresidents and residents of Indiana.

SECTION 7. IC 22-11-14-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) A person who violates ~~section 4(c); section 2(f), 4.5, 5(c), 5(d), 7, or 8~~ **8(a), 8(c), 8(d), or 10** of this chapter commits a Class A misdemeanor.

(b) A person who ignites, discharges, or uses consumer fireworks other than those described in section 8(a) of this chapter at a site other than:

- (1) a special discharge location;**
- (2) the property of the person; or**
- (3) the property of another who has given permission to use the consumer fireworks;**

commits a Class C infraction. However, if a person commits an offense under this subsection not later than five (5) years after the date of the commission of a prior offense, the person commits a Class B infraction.

(c) A person commits a Class B misdemeanor if the person recklessly, knowingly, or intentionally uses consumer fireworks other than those described in section 8(a) of this chapter and the violation causes harm to the property of a person.

(d) A person commits a Class A misdemeanor if the person recklessly, knowingly, or intentionally uses consumer fireworks other than those described in section 8(a) of this chapter and the violation results in serious bodily injury to a person.

(e) A person commits a Class D felony if the person recklessly, knowingly, or intentionally uses consumer fireworks other than those described in section 8(a) of this chapter and the violation results in the death of a person.

(f) A person commits a Class D felony if the person knowingly

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fails to collect or remit the public safety fees due under section 14 of this chapter to the state.

SECTION 8. IC 22-11-14-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. **(a)** A person shall not sell at retail, or offer for sale at retail, any **consumer** fireworks, novelties, or trick noisemakers **to a person less than eighteen (18) years of age** other than the following:

- (1) Dipped sticks or wire sparklers. However, total pyrotechnic composition may not exceed one hundred (100) grams per item. Devices containing chlorate or perchlorate salts may not exceed five (5) grams in total composition per item.
- (2) Cylindrical fountains.
- (3) Cone fountains.
- (4) Illuminating torches.
- (5) Wheels.
- (6) Ground spinners.
- (7) Flitter sparklers.
- (8) Snakes or glow worms.
- (9) Smoke devices.
- (10) Trick noisemakers, which include:
 - (A) Party poppers.
 - (B) Booby traps.
 - (C) Snappers.
 - (D) Trick matches.
 - (E) Cigarette loads.
 - (F) Auto burglar alarms.

(b) A retailer or wholesaler of consumer fireworks may sell consumer fireworks to a person at least eighteen (18) years of age.

(c) A retailer or wholesaler of consumer fireworks other than those listed in subsection (a) may not knowingly or intentionally fail to:

- (1) request photographic identification of a purchaser who appears to be less than twenty-five (25) years of age; or**
- (2) record the following information regarding a sale:**
 - (A) The purchaser's name.**
 - (B) The purchaser's address.**
 - (C) The date of the sale.**
 - (D) The age of the purchaser.**

The seller shall keep the record of the sale for not less than one (1) year and shall make the record available to the state fire marshal upon request.

(d) An individual who sells consumer fireworks other than those

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listed in subsection (a) must be at least eighteen (18) years of age.

SECTION 9. IC 22-11-14-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. ~~(a)~~ Each interstate wholesaler shall keep a record of each sale of **special** fireworks. ~~not approved for sale in Indiana~~. This record must include:

- (1) the purchaser's name;
- (2) the purchaser's address; and
- (3) the date of the sale.

These records shall be kept for three (3) years and be available for inspection by the fire marshal.

(b) Each resident wholesaler shall post in a prominent location in the wholesaler's place of business a sign that reads as follows:

"Under Indiana law, a resident wholesaler of fireworks may sell fireworks not approved for sale in Indiana only to other resident wholesalers and to purchasers who provide a written and signed assurance that the fireworks are to be shipped out of Indiana within five (5) days of the date of sale. A purchaser who provides a written and signed assurance that fireworks purchased are to be shipped out of Indiana within five (5) days of the date of sale and who then sells the fireworks in Indiana or uses them in Indiana commits a Class A misdemeanor, which is punishable by imprisonment for up to one (1) year and a fine of up to five thousand dollars (\$5,000)."

The state fire marshal shall provide interstate wholesalers with signs for the purposes of this subsection.

SECTION 10. IC 22-11-14-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2006]: Sec. 11. (a) A user fee, known as the public safety fee, is imposed on retail transactions made in Indiana of consumer fireworks.

(b) The person who acquires consumer fireworks in a retail transaction is liable for the public safety fee on the transaction and, except as otherwise provided in this chapter, shall pay the public safety fee to the retailer as a separate added amount to the consideration in the transaction. The retailer shall collect the public safety fee as agent for the state.

(c) The public safety fee shall be paid to the department to be used for the following purposes:

- (1) The provision of funds for disaster relief for all Indiana state and local governments under IC 10-19-4-2.
- (2) The development and provision of training programs for public safety service providers under IC 10-19-9-3.

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(3) The establishment and conduct of advanced training programs in public safety and homeland security subjects under IC 10-19-9-4.

The executive director of the department appointed under IC 10-19-3-1 shall determine the distribution of the funds received by the department from the public safety fee.

(d) The fire prevention and building safety commission shall adopt rules under IC 4-22-2 necessary for the administration of the collection and distribution of the public safety fee monies from retailers as described in subsections (b) and (c) and in section 13 of this chapter.

SECTION 11. IC 22-11-14-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2006]: Sec. 12. (a) The public safety fee is measured by the gross retail income received by a retailer in a retail unitary transaction of consumer fireworks and is imposed at the following rates:

PUBLIC SAFETY FEE	GROSS RETAIL INCOME FROM THE RETAIL UNITARY TRANSACTION		
\$ 0		less than	\$0.25
\$ 0.01	at least \$ 0.25	but less than	\$0.50
\$ 0.02	at least \$ 0.50	but less than	\$0.75
\$ 0.03	at least \$ 0.75	but less than	\$1.00
\$ 0.04	at least \$ 1.00		

On a retail unitary transaction in which the gross retail income received by the retail merchant is one dollar (\$1) or more, the public safety fee is four percent (4%) of that gross retail income.

(b) If the public safety fee, computed under subsection (a), results in a fraction of one-half cent (\$0.005) or more, the amount of the public safety fee shall be rounded to the next additional cent.

SECTION 12. IC 22-11-14-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2006]: Sec. 13. (a) A retailer liable for collecting the public safety fee from a purchaser shall file a return for each calendar month and pay the public safety fees that the retailer has collected during that month. A retailer shall file the retailer's return for a particular month with the department and make the retailer's payment of the public safety fees collected for that month to the department not more than thirty (30) days after the end of that month.



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(b) Instead of the twelve (12) monthly reporting periods required by subsection (a), the department may permit a person to divide a year into a different number of reporting periods. The return and payment for each reporting period is due not more than twenty (20) days after the end of the period.

(c) Instead of the reporting periods required under subsection (a), the department may permit a retailer to report and pay the retailer's public safety fees for a period covering a calendar year, if the retailer's public safety fee liability for a calendar year does not exceed seventy-five dollars (\$75). A retailer reporting under this subsection must file the retailer's return and pay the retailer's public safety fee liability not later than the last day of January immediately following the close of the prior calendar year.

SECTION 13. IC 22-11-14-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2006]: **Sec. 14. An individual who:**

- (1) is an individual retailer or is an employee, an officer, or a member of a corporate or partnership retailer; and
- (2) has a duty to remit the public safety fee as described in section 11 of this chapter to the department of homeland security;

holds the public safety fees collected in trust for the state and is personally liable for the payment of the public safety fee money to the state.

SECTION 14. IC 22-11-14-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 15. The fire prevention and building safety commission shall adopt rules under IC 4-22-2 to carry out this chapter.**

SECTION 15. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding IC 22-11-14-2(a), as amended by this act, IC 22-11-14-11(d), as added by this act, and IC 22-11-14-15, as added by this act, the fire prevention and building safety commission shall carry out the duties imposed upon it by IC 22-11-14-2(a), as amended by this act, IC 22-11-14-11(d), as added by this act, and IC 22-11-14-15, as added by this act, under interim written guidelines approved by the state fire marshal.

(b) This SECTION expires on the earlier of the following:

- (1) The date rules are last adopted under IC 22-11-14-2(a), as amended by this act, IC 22-11-14-11(d), as added by this act, and IC 22-11-14-15, as added by this act.
- (2) December 31, 2007."

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Delete pages 9 through 12.

Page 13, delete lines 1 through 32.

Renumber all SECTIONS consecutively.

(Reference is to HB 1099 as printed January 27, 2006.)

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